

14TH OCTOBER, 1915.

**PRESENT:—**

HIS EXCELLENCY THE GOVERNOR, SIR F. H. MAY, K.C.M.G.

HIS EXCELLENCY MAJOR-GENERAL F. VENTRIS (General Officer Commanding Troops).

HON. MR. CLAUD SEVERN (Colonial Secretary).

HON. MR. J. H. KEMP (Attorney-General).

HON. MR. A. M. THOMSON (Colonial Treasurer).

HON. MR. W. CHATHAM, C.M.G. (Director of Public Works).

HON. MR. C. MCI. MESSER (Captain Superintendent of Police).

HON. MR. WEI YUK, C.M.G.

HON. MR. POLLOCK, K.C.

HON. MR. E. A. HEWETT, C.M.G.

HON. MR. E. SHELLIM.

HON. MR. D. LANDALE.

HON. MR. LAU CHU PAK.

MR. A. G. M. FLETCHER (Clerk of Councils).

**Minutes**

The minutes of the last meeting were read and confirmed.

**Finance**

THE COLONIAL SECRETARY, by command of H. E. the Governor, laid on the table Financial Minutes Nos. 46 to 48, and moved that they be referred to the Finance Committee.

THE COLONIAL TREASURER seconded, and this was agreed to.

**Papers**

THE COLONIAL SECRETARY, by command of H.E. THE GOVERNOR, laid on the table the following papers: Report of meeting of Finance Committee, held on September 10th, which was adopted; also financial statements in connection with the estimates for

1916, and an abstract showing the difference between the estimates of expenditure for 1915 and 1916.

**The Budget**

THE COLONIAL SECRETARY moved the first reading of a Bill intituled, "An Ordinance to apply a sum not exceeding nine million eighty-one thousand two hundred and nine dollars to the Public Service of the year 1916."

THE COLONIAL TREASURER seconded.

H.E. THE GOVERNOR then said—It is usual for me to address members of this honourable Council at some length on the Bill which has just been submitted instead of at the second reading, so that my remarks may possibly be of some assistance to the members in considering the estimates. In addressing you on the present financial position of the Colony, and on the position which we anticipate as a result of the year's working, I may remark that on the whole, considering the abnormal situation created by the war, there is no reason to be dissatisfied.

**The Financial Situation**

It was anticipated that the balance of Assets over Liabilities on the 31st December, 1914, would amount to \$2,826,375, but the sum actually brought to account was \$2,910,473. The revenue for 1915, as revised, is expected to yield \$11,380,605, or \$27,027 less than was estimated. The expenditure for 1915, which we originally estimated at \$12,486,771, is now expected the fall short of that figure by \$58,525. I must explain, however, that after the Estimates had been prepared last year, very considerable economies were made. When sending the Estimates to the Secretary of State, I stated that it would probably be necessary to curtail expenditure in order to meet an abnormal situation, and the Secretary of State subsequently requested that this might be done. A list of Public Works Extraordinary, which it was possible to postpone, or on which expenditure could be reduced, was, therefore, drawn up. The total reduction amounted to \$491,150 and the principal items were as follows:—

Item 48.—Additional Service Reservoir, West Point (Reduction)	\$130,000
Item 15.—Rented Quarters for European Subordinates .....	30,000
Item 16.—Housing of Subordinate Officers .....	30,000
Item 17.—Extension of Central Police Station .....	50,000
Item 19.—Paving of main roads .....	30,000
Item 47.—Compensation and Resumption .....	20,000
Item 78(c).—Section A of new road in New Territories .....	33,000

It was also found possible to make an estimated saving of \$380,000 in connection with the purchase of raw opium, and the need for strict economy was enjoined on Heads of Departments. The total of the economies effected is \$1,219,766, but the effect of them was to a great extent neutralised by the necessity for incurring certain heavy expenditure which could not be included in the estimate.

#### Sub-Coin

A large increase was necessary in the amount required to redeem subsidiary coinage. The sum estimated on this account was \$768,000, while it is now found that a sum of \$1,164,000 will be required, or \$396,000 more than the original estimate. A variety of circumstances have contributed to swell our loss on the redemption of subsidiary coins and to cause a large excess on the vote in the current estimates to cover that loss. In the first place, after the Estimates had been framed the Government adopted a policy of purchasing sub-coins in the market, and it continued that policy, taking advantage of the high rate of discount, till February in this year. Altogether coins to the face value of \$1,275,000 were purchased and sent Home to be demonetized. Although \$500,000 of that sum represents purchases made and sent home in 1914, the proceeds were not brought to account till this year. The loss on this large item was therefore not included in the Estimates for this year. In the second place, an item which has swelled the cost is that of insurance against war risks. A third cause is that the coins being old were dirty and a little light through wear. A fourth cause is the fact that during the current year, while the parity of silver has ruled at about 1s. 7½ d. to the dollar, the rate of exchange has ruled at a fraction over 1s. 9d. our coins are sold

as bullion, but the proceeds are credited in the Treasury books at the current rate of exchange with the consequent loss of about 1½ d. on every dollar unit.

#### War Expenditure 1915

The expenditure on account of the war is expected to amount during the current year to \$179,200. No provision was made for this in the Estimates, and the whole amount is therefore in excess of the approved estimates for the year.

There has also been a large increase in the sum required for telegrams. A sum of \$4,000 was provided, but it is probable that no less than \$20,000 will be expended. Other smaller sums go to make up a total sum of \$625,238, by which the estimate for Miscellaneous Services has been exceeded. A supplementary vote for \$486,000 has recently been taken to cover the cost of the construction of the Railway during the current year in accordance with the estimate contained in Council Paper No. 15 of 1915. Certain additional expenditure incurred on other votes is shown on pages 19 and 20 of the draft Estimates which, with the items to which I have drawn attention, reduce the total anticipated saving on this year's Estimates to the sum of \$58,525 which I have already mentioned. There will, therefore, be a deficit on the 31st December next, if these figures are realised, of \$1,047,641, and the balance of Assets on that date will be reduced to \$1,862,832. It will be clear to honourable members that the need for strict economy during the coming year is imperative, and the Estimates which are now laid before you have been drawn up with that object.

#### Estimates of Revenue, 1916

The estimated revenue for 1916 is \$1,378 in excess of that approved for the current year. The principal increases, of which explanations will be found in the foot-notes, are as follows:—Money-changers' Licences, \$8,340; Opium Monopoly, \$250,000; Stamp Duties, \$50,000; Analyses, \$6,000; Sunday Cargo-working Permits, \$5,000; Kowloon-Canton Railway, goods through traffic, \$5,000; Lands not Leased \$7,420; Royalty payable by Hongkong Tramway Company \$6,030;

Widows' and Orphans' Pensions Contributions, \$7,200. These increases aggregate \$344,990, and the decreases in various other items amount to almost a similar sum.

### **Estimate of Expenditure, 1916**

The estimated expenditure for next year is \$11,882,774, which is \$603,997 less than the estimated expenditure for the current year. In the eight departments in Class I. under the head "General Administration," a decrease of \$137,882 is estimated for but this requires some explanation. The total estimate for these departments this year was \$1,781,400, but owing principally to the cost of raw opium having been much less than was estimated, and the scheme for the acquisition and rearrangement of the moorings in the harbour having only been partly proceeded with, it is not anticipated that more than \$1,301,100 will be required. The estimate for next year is \$1,643,518, which includes a sum of \$800,000 for opium, \$140,000 for the acquisition and rearrangement of moorings, and \$10,000 for the raising and renewal of moorings. Under the heading "Miscellaneous Services" the estimate of expenditure for next year is \$1,113,289, or \$201,027 greater than for last year, due almost entirely to charges on account of the war.

I would draw attention to the following items under "Miscellaneous Services." A sum of \$750,000 is estimated to cover the loss on Subsidiary Coins. This sum falls short to a considerable amount of the sum required in the current year for this service. There is some reason to hope that it may nevertheless be sufficient, and I trust that this hope will be realised.

### **War Expenditure 1916**

As regards War Expenditure: The five heads amount in all to \$210,200, including a sum of \$58,000 for the maintenance of Prisoners of War and their families. His Majesty's Government have decided that each Colony should pay for the alien enemies interned by its Government, and also, if it can afford it, for alien enemies taken off ships within its jurisdiction. The question of defraying the cost of maintenance of prisoners made in actual military operations has not actually been decided, but I have included in the vote the estimated cost of the 76 prisoners brought here from Tsingtau, because I feel sure that the people of this Colony will gladly accept

the whole burden of the maintenance of both interned persons and prisoners of war, which cannot be regarded as a heavy one compared with the expenditure now being incurred by other parts of the Empire. The sub-head "Other Items of Expenditure" \$90,000, comprises extra payments to Volunteers on war duty; the cost of meals, transport and other expenses on account of garrison duty; and passages to men proceeding to England for active service. There are also many other items of expenditure chargeable to this sub-head, which cannot be definitely specified. A sum of \$2,200 has been provided for a new edition of the General Orders of the Hongkong Government.

### **Judicial and Legal Department**

Under "Other Charges" a sum equivalent to £300 has been entered as the contribution from this Colony towards the cost of the establishment of a Registry of Companies which is to be established at Shanghai. This Registry will be subordinate to the Hongkong Registry, and as the whole of the fees received will be paid over to the Hongkong Government, it is considered desirable that this Colony should make a contribution towards the annual expenditure involved. The vote for the travelling expenses of Watchmen and temporary engagement of extra Watchmen has been increased from \$1,000 to \$5,000. This increase is due to the issue of an abnormal number of executions since the outbreak of the war. The sums spent are counter-balanced by Possession Fees which are paid into revenue.

### **Police**

The establishment of European Constables has been reduced by ten for the duration of the war. This reduction has been rendered possible by the excellent service which is being rendered by members of the Special Police Reserve. I have already had occasion to refer publicly to the useful work performed by this recent addition to the Police Force, and it is especially gratifying that at a time when there are many vacancies in the Force owing to the absence of members at the front, and to the difficulty of filling the vacancies which occur under ordinary conditions, that deficiencies can be supplemented by other members of the community, who for various reasons

are unable to leave the Colony. The Government and the Community owe a debt of gratitude to the members of this Force, which I may remind you is composed of British subjects of British, Indian, Portuguese and Chinese races. The Force at the present time numbers 415.

Under "Other Charges" a sum of \$1,500 has been provided for ammunition for the Special Police Reserve. The subhead "Clothing and Accoutrements" shows an increase of \$5,600, which is due to the higher cost of material. A sum of \$3,000 has been entered to cover the cost of clothing and accoutrements for recruits of the Special Police Reserve, and renewal of uniforms. The amount required for the equalisation of exchange on Indian Police remittances has been increased by \$6,000, a larger sum being required owing to the fall in exchange and to correct a previous under-estimate. The vote for "Passages, and bonuses in lieu of passages" shows an increase of \$8,650. This increase is due to the fact that more members of the European contingent are expected to take leave in the future owing to a new scheme by which members of the contingent on nine months leave will draw full pay during six months of the leave, and also to the grant of free passages to the wives and families of Indian Police, and to men of the Indian contingent retiring on pensions. The honourable member who represents the Chamber of Commerce, in October last, drew attention in Finance Committee to the comparatively large number of men in the European contingents who drew a bonus instead of going on leave. The improvement in the pay while on leave is expected, as I have already stated, to remedy this in some degree.

#### **Prison**

The staff of European Warders has been reduced by three, thereby effecting an immediate saving of \$3,290. This reduction has permitted of the re-organization of the Indian staff, involving an increase of \$3,630.

#### **Medical Department**

It has been found possible to replace two Nursing Sisters at the Government Civil Hospital by six Probationer Dressers. Not only is a small saving effected by this change, but the system of employing Dressers, which is in force in other Colonies, is now for the first time introduced here. Dressers will only obtain promotion on passing certain qualifying examinations, and it is to be hoped that the scheme will meet with the same success here

that has been achieved elsewhere.

Under "Other Charges" the vote "Provisions for Patients" has been increased by \$1,000, due to the higher cost of food.

Under the head "Institutes, Personal Emoluments," a sum of \$2,160 has been inserted as the allowance to the officer acting as Bacteriologist. The sum of \$810 provided this year will lapse as the Bacteriologist has not taken leave, but as he proposes to take commuted instead of half-pay leave next year it has been necessary to provide a larger sum.

A new sub-head has been inserted under Special Expenditure for "Dental Instruments and Furniture," for which the equivalent of £150 has been provided. Certain dental surgeons have generously offered their services at the Government Civil Hospital free of cost, and the above sum will provide the necessary equipment.

#### **Sanitary Department**

The scavenging of Shaukiwan has been taken over by the Sanitary Department, and it is anticipated that the work will cost a sum of \$3,314, while it is estimated that a sum of \$4,000 will be received for the conservancy of the same neighbourhood.

Under "Special Expenditure" the amount provided for the removal of ceilings has been reduced from \$10,000 to \$4,000. This sum is considered sufficient as the work has proved less expensive than was anticipated.

#### **Education**

Under "Personal Emoluments" a sum of \$1,000 has been provided for a shorthand teacher at Queen's College to meet the increasing demand for shorthand. It is expected that the fees received for tuition will cover his salary.

Owing to the poor attendance the English School for Indians at Kowloon will be closed at the end of this year.

Under "Other Charges" the sum provided for Capitation Grants has been increased by \$5,833 owing to the increase in the numbers at the English Schools.

Under "Special Expenditure" a sum of \$1,250 has been entered as half the Building Grant of \$2,500 to St. Joseph's College towards the cost of additional class rooms.

### **Military Expenditure**

The amount provided for the Contribution to the Imperial Government is \$205,630 less than that provided this year. This decrease is mainly due to the fact that the estimated arrears on account of the Contribution for 1915 are \$79,600, as against arrears of \$298,154 in respect of the contribution for 1914. In place of the Staff Officer of the Volunteers, whose post is temporarily vacant, provision has been made for allowances to an Inspecting Officer and two Adjutants. Under "Other Charges" the Capitation Grant of the Volunteer Reserve has been increased from \$1,050 to \$15,750, that is to say, from the small grant earned before the Reserve was embodied, on the outbreak of war, in the Volunteer Corps and a grant equivalent to that which the Volunteer Corps can earn.

It is with peculiar satisfaction that I have to record the extremely satisfactory condition of the Volunteer Force both in numerical strength and in efficiency. The Force has rendered, and is still rendering, very valuable service, and can justly claim an important, although indirect share, in the tremendous battle the Empire is fighting in different parts of the world, for which so large a proportion of the regular garrison has been released. I can repeat that to this body, as to the Special Police Reserve, the Government and the Community owe a very deep debt of gratitude.

### **Public Works Department**

Under "Personal Emoluments" the post of one 1st Grade Assistant Engineer will not be filled at present, and no provision has, therefore, been made for it. Owing to existing conditions the programme of public works has been considerably reduced, and it is desirable to take advantage of an opportunity which has arisen to reduce the staff.

### **Public Works Recurrency**

There is an increase of \$2,000 in the cost of Gas Lighting (item 10) due to extensions of Lighting; of \$2,500 for meters (item 23) due to a previous under-estimate; of \$1,000 for maintenance of waterworks in Kowloon (item 35)

due to increase of filtration; of \$1,000 for meters in Kowloon (item 36) also due to a previous under-estimate; of \$2,500 for maintenance of buildings in the New Territories (item 39) due to a large increase in the contract rate; and of \$2,000 for maintenance of roads and bridges in the New Territories (item 41) due to a great length of roads. It has been possible to make reductions in other items with the result that the estimate for next year under this head ?? only \$100 more than in this year's Estimates.

### **Public Works Extraordinary**

The sum available under this head has to be regulated each year by the amount of money available from the estimated revenue. The position with which I was faced this year was as follows: The estimated revenue is \$11,409,010, while the estimated expenditure exclusive of Public Works Extraordinary is \$10,603,374, leaving a balance of \$805,636 available for Public Works Extraordinary if the Budget is to balance. Now the two large works which are under construction, namely, the Tytam Tuk Scheme, second section, and the additional Service Reservoir at West Point, require between them a sum of no less than \$900,000, and it will be clear, therefore, to honourable members that only by the most ruthless elimination of many desirable, but not indispensable, public works has it been possible to reduce the estimated deficit to a comparatively moderate sum.

With regard to Hongkong under the heading "Buildings," the sums provided for items 1, 2 and 3 are required to pay the retention money on works already completed.

Under item 4 a sum of \$46,000 is provided for the erection of quarters for Sub-ordinate Officers, Happy Valley. A sum of \$50,000 was entered in the estimates of the current year for this purpose, but the work has not been proceeded with up to date. It is, in my opinion, very desirable that these quarters should be erected as soon as possible, and tenders for the work have now been called for.

A sum of \$30,000 has been entered under item 5, as it is possible that a start may be made with the extension of the Central

Police Station. Negotiations for the resumption of the buildings on the site have been concluded, and Government will obtain possession of them at the end of the current year. The construction of the three small works under item 6 is very desirable on sanitary grounds.

Under the heading "Communications," item 7 (a) is retention money on a work which will be completed this year; (b) is to complete a path which the Government undertook to construct, while the sum of \$15,000 provided under (c) is put as low as possible to meet probable requirements.

Under the heading "Drainage," the only important work is that in item 8 (d). It is necessary on sanitary grounds to make a start on the work of draining the Sookunpoo Valley in view of the occupation of the old Cotton Mills by the French Convent and the general development of the neighbourhood. Under item 9 the sum of \$20,000 provided is considered absolutely necessary.

Under the heading "Miscellaneous," items 11 to 14 are required to meet the services of an ordinary year. Item 15 is to complete the dredging off Kowloon Point and item 18 is to cover unforeseen minor works. The sum provided for compensations and resumptions is lower than usual, but in the present state of our finances it is necessary to curtail such expenditure. I have already referred to the large sum required for the waterworks under construction, but having regard to the contracts and the urgent necessity for these works, it has been impossible to reduce these items.

With regard to Kowloon, the sums estimated are those required to meet the ordinary services of the year. The sum of \$30,000 provided under item 28 is the retention money on the contract for the Typhoon Refuge. This work was completed in August, some months under the contract time, and I think that honourable members will agree with me that its construction reflects much credit on Mr. Jaffé and those who were associated with him. Under the heading "Waterworks," a sum of \$14,000 has been provided for an additional filter-bed, which is urgently required.

In the New Territories the principal expenditure is for road construction. I should

have liked to provide much larger sums for the development of those Territories, but it has been impossible to do so.

The total sum which it is proposed to spend on Public Works Extraordinary is \$1,279,400, which is nearly a million dollars less than the sum provided this year. Even this reduced expenditure, however, will result in a deficit in the budget, as a whole, of \$473,764, which will have to be met from the surplus balances of the Colony.

### Post Office

Under "Personal Emoluments" the post of Senior Clerk has been abolished, causing a saving of \$3,762, and it is proposed to appoint in his place a Postal Inspector, whose principal duties will consist of the inspection of the branch post offices, and the general supervision of the postmen. No salary has been inserted in the estimates for this post, as it is proposed for the present to continue the temporary arrangement whereby a Lance-Sergeant of Police is acting in the post. A sum of \$2,880 has been saved by the discontinuance of the sea-sorting of mails on board Peninsular and Oriental Mail Packets.

An addition has been made to the Radio-Telegraph Staff of two 3rd Grade Telegraphists, who will be trained for the work at the Cape D'Aguilar Station. By this means it is anticipated that future economies may be effected. Under "Other Charges," the share of the Mail Subsidy payable by this Colony is increased by \$5,544, due to the lower rate of exchange at which the calculation is made. A sum of \$11,429 has been provided for Stores for the Radio-Telegraphic Station at Cape D'Aguilar. This is in accordance with an estimate made by the Naval Authorities, who are responsible for the working of the Station.

### Kowloon-Canton Railway

In those estimates the working expenses of the Kowloon-Canton Railway appear in detail in the body of the Estimates, instead of being included in an Appendix. The estimated expenditure for next year is \$313,905, which is \$9,550 less than the estimate for the current year. The only two items to which I would refer are as follows:—On page 109 provision has been

made for nine additional porters at a cost of \$1,296, which is necessitated by the expansion of the traffic. On page 110 an increase of \$1,000 has been made in the vote for Fuel Lighting, etc., for carriages, stations, and offices, as the amount provided previously was under-estimated. The estimated Revenue from the railway next year is \$432,600, or \$3,000 less than the estimated Revenue for the current year, leaving a net balance of earnings over working expenses of \$118,695. The financial position of the Railway is shown in detail in Note 3, in Appendix II., on page 121, from which it will be seen that the deficit to be met next year from Colonial Funds is a sum of \$523,625. In accordance with the proposals which I made in my Despatch No. 137 of the 22nd April last, which has already been laid before you as Council Paper No. 15 of 1915, the capital construction account is to be closed at the end of this year, and the expenses of construction beyond the authorised loans of £1,100,000 and £250,000 are to be included in the annual expenditure of the Colony. They appear in detail on page 112 of the Estimates. The sum required in 1916 is \$386,198, the major portion of which is due to expenditure on the Station Buildings at Kowloon, and the new loco. and carriage sheds at Hunghom.

#### **Charge on Account of Public Debt**

Under this head there is a total increase of \$81,039, due partly to the lower rate of exchange on which the Estimates are calculated, partly to the inclusion of Crown Agents' charges on the 1906 loan, which were formerly paid out of a special fund, and to the interest due on the cost of railway construction.

#### **Pensions**

Under this head there is an increase of \$54,000 due to lower exchange, and to additional pensions.

#### **Charitable Services**

The only item to which I wish to refer under this head is the provision of \$15,000 as a grant in aid for the maintenance during the year 1906 of the three German Charitable Institutions, namely, the Berlin Foundling House, Blindenheim and Ebenezer. When Financial Minute No. 30 was brought before this Council I explained at some length the reasons which had led me to recommend that

the Government of this Colony should come to the aid of these institutions during the current year, and the same reasons apply to next year. The sum provided is exclusive of the estimated receipts from local philanthropists, from the Education Department, and from the sale of work, which are expected to amount to \$2,840.

#### **The Balancing of the Budget**

As I have already stated, a sum of \$473,764 will have to be appropriated from surplus balances in order to meet the estimated expenditure for the year 1916. This deficit is occasioned by the inclusion in the estimates of two extraordinary items, namely, the War Expenditure and the expenses of construction of the Kowloon-Canton Railway. The Budget which is in the hands of honourable members has been drawn up with great care to meet the circumstances in which we find ourselves. It is intended to meet the needs of the Public Service of this Colony, and no more than these needs. It is a Budget framed with due regard to economy, and it contains no expenditure which cannot be defended from that point of view. I hope it will meet with the convenience of honourable members to take the second reading of the Supply Bill on Tuesday, the 26th October.

The text of the Bill is as follow:—

Whereas the expenditure required for the service of this Colony for the year 1916 has, apart from the contribution to the Imperial Government in aid of Military Expenditure and Charges on account of Public Debt, been estimated at the sum of nine million eightyone thousand two hundred and nine dollars.

Be it enacted by the Governor of Hongkong, with the advice and consent of the Legislative Council thereof, as follows:—

1.—This Ordinance may be cited as the "Appropriation Ordinance for 1916."

2.—A sum not exceeding nine million eighty-one thousand two hundred and nine dollars shall be and the same is hereby charged upon the revenue and other funds of the Colony for the service of the year 1916 and the said sum so charged may be expended as hereinafter specified, that is to say:—

<b>Expenditure</b>	
Governor .....	\$85,873
Governor, Special Expenditure .....	500
Colonial Secretary's Department and Legislature .....	86,951
Colonial Secretary's Department, Special Expenditure .....	250
Secretariat for Chinese Affairs .....	57,452
Secretariat for Chinese Affairs, Special Expenditure .....	100
Audit Department .....	34,146
Audit Department, Special Expenditure .....	100
Treasury .....	66,006
Harbour Master's Department .....	181,267
Harbour Master's Department, Special Expenditure .....	140,200
Imports and Exports Department ..	967,774
Royal Observatory .....	22,649
Royal Observatory, Special Expenditure .....	250
Miscellaneous Services .....	1,113,289
Judicial and Legal Departments ...	280,532
Judicial and Legal Department, Special Expenditure .....	830
Police and Prison Departments .....	977,459
Police and Prison Department, Special Expenditure .....	3,860
Medical Department .....	247,095
Medical Department, Special Expenditure .....	2,674
Sanitary Department .....	379,748
Sanitary Department Special Expenditure .....	5,850
Botanical and Forestry Department ..	49,216
Education .....	357,782
Education, Special Expenditure ...	2,300
Military Expenditure - Volunteers .....	66,783
Public Works - Public Works Department .....	455,234
Public Work Department, Special Expenditure .....	300
Public Works, Recurrent .....	580,400
Public Works, Extraordinary .....	1,279,400
Post Office .....	474,789
Post Office Special Expenditure ...	1,310
Kowloon-Canton Railway - Working Expenses .....	313,905
Expenses of Construction .....	386,198
Charge on account of Public Debt .	54,000
Pensions .....	362,000
Charitable Services .....	42,737
Total .....	\$9,081,209

### The Italian Convent

HON. MR. H. E. POLLOCK moved the first reading of a Bill intituled, "An Ordinance to provide for the incorporation of the Mother Superioress in this Colony of the Society of the 'Daughters of Charity of the Canossian Institute,' by which the institution known as the Italian Convent is carried on."

The Objects and Reasons state that the Daughters of Charity of the Canossian Institute (best known as the Italian Convent) have acquired land in the Colony for the purposes of carrying on their charitable work. Difficulties have arisen, and may hereafter arise, in holding and dealing with such land, as it has at present, to be vested in the name of some individual in trust for the Convent. In order to get over such difficulties it is desired that the Convent should be incorporated by Ordinance. Similar incorporation has taken place in the past in the case of other Missions for similar reasons. The present Bill effects such incorporation and contains the necessary provisions for evidencing the authority of the Mother Superioress for the time being.

HON. MR. SHELLIM seconded, and the Bill was read a first time.

HIS EXCELLENCY—Council stands adjourned until this day week.

### FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the Colonial Secretary presiding.

### Judicial Expenses

THE GOVERNOR recommended the Council to vote a sum of one hundred and thirty dollars (\$130) in aid of the vote Judicial and Legal Departments, C.—District Officer, Other Charges, Northern District, Incidental Expenses.

THE CHAIRMAN—This sum of \$130 is required in connection with the house of the District Officer at Taipo. The gardens and grounds there have been put in very good order, and in order to keep them properly, certain implements have to be purchased; a lawn mower, roller and other things, and it is essential that

the implements shall be such as will last, and this sum is the lowest estimate at which they could be got. There are frequent changes in the holder of the office and the Government therefore purchased these tools.

The vote was agreed to.

### **Public Works**

THE GOVERNOR recommended the Council to vote a sum of three thousand dollars (\$3,000) in aid of the vote Public Works, Extraordinary, Hongkong, Communications, Roads, General Works.

THE CHAIRMAN—I will ask the Director of Public Works to explain this vote.

THE DIRECTOR OF PUBLIC WORKS—It arises out of the constructing of roads in front of new buildings erected. In the case of Taiwong Lane the expenditure was \$2,120, Amoy and Swatow Streets half cost, \$2,085. On Lan Street, \$720, Wanchai Road and Burrows Street \$870, Rutter Street, half cost, \$425. After making provisions for other items which have been executed, a total sum of \$2,850 is required, and this vote of \$3,000 is asked for.

THE CHAIRMAN—In the case of Amoy and Swatow Streets and Rutter Street, half the cost has been paid by the owners.

HON. MR. HEWETT—When there are estimates for work to be done cannot you allow some sort of margin for this sort of work? You refer to Wanchai Road, for instance. All these new buildings were started a long time ago, and you must have known that you would have to make roads.

THE DIRECTOR OF PUBLIC WORKS—The provision made in the estimates this year is very small. I was absent from the Colony when the estimates were prepared and I am unable to explain why so small an amount was provided.

THE CHAIRMAN—The necessity for these things could not be foreseen. It was at the request of the owners of the private streets that the streets should become public streets, and it is the policy of the Government to take over private streets whenever that is possible.

### **Compensation**

THE GOVERNOR recommended the Council to vote a sum of two thousand five dollars (\$2,500) in aid of the vote Public Works, Extraordinary, Compensation for the pathway along the eastern boundary of the Eurasian Cemetery.

THE CHAIRMAN—The existing pathway at this cemetery has been diverted in order to give right of way to the public over the existing path, and therefore the authorities of the cemetery have to be compensated.

THE DIRECTOR OF PUBLIC WORKS—It is a case of taking over a path constructed by the cemetery authorities, and it will be very useful as a public path.

HON. MR. HEWETT—Whom are you paying the money to?

THE DIRECTOR OF PUBLIC WORKS—It goes to the cemetery authorities. The path affords very direct access to people coming from the Pokfulum district down to Kennedy Town to catch the tram there.

The vote was agreed to.